

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

April 28, 2005

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 06OD-072

Oahu

Consent to Sublease General Lease No. S-4488, University of Hawaii, Sublessor, to the Department of Transportation, Harbors Division, Sublessee; Kalihi-Kai, Honolulu, Oahu, TMK (1) 1-2-025:Portion of 17.

APPLICANT:

Department of Transportation, Harbors Division

LEGAL REFERENCE:

Section 171-36(a)(6), Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Kalihi-Kai, Honolulu, Oahu, identified by Tax Map Key: (1) 1-2-025:Portion of 17, as shown on the attached maps labeled Exhibits A and B.

AREA:

3,900 Square feet, more or less.

ZONING:

State Land Use District: Urban
County of Honolulu CZO: Industrial (I-2)

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution:

YES _____ NO X

LEASE CHARACTER OF USE:

University of Hawaii Controlled Marine Expeditionary and Oceanographic Research Center Purposes.

SUBLEASE CHARACTER OF USE:

Road purposes.

TERM OF LEASE:

Term of 65 years, commencing 2/23/1973 and expiring 2/22/2038.

TERM OF SUBLEASE:

30 years. Commencement date to be determined by the Chairperson.

ANNUAL RENTAL(GL4488):

Gratis.

ANNUAL SUBLEASE RENTAL:

Gratis.

RECOMMENDED ADJUSTMENT TO LEASE RENTAL:

None.

DCCA VERIFICATION:

Not Applicable. Sublessor and Sublessee are government agencies.

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost;
- 2) Obtain the written concurrence from the University of Hawaii for the sublease agreement and comply with the terms and conditions of the University of Hawaii, if any, relating to its concurrence.

REMARKS:

The subject area is a portion of land leased to the University of Hawaii (UH) at gratis for its School of Ocean and Earth Science and Technology's (SOEST) Marine Expeditionary and Oceanographic Research Center.

At its meeting on July 8, 2005, under Item D-17, the Land Board approved the withdrawal of approximately 1 acre from General Lease S-4488 (GL4488) to be set aside to the Department of Transportation, Harbors Division (DOT) for maritime purposes. The set aside was required to expand their existing cargo storage space on its abutting property (see Exhibit "A"), and modified the area leased under GL4488 from 16.069 acres to 15.138 acres.

As part of a larger effort by the Governor's Hawaii Harbor Task Force to expand the infrastructure improvements in Honolulu Harbor, DOT is requesting to utilize an additional 3,900 square feet of land under GL4488 as part of a new cargo transportation route to meet an increase in activity at Pier 42. DOT is relocating the "break bulk" cargo operation from Pier 1 to Pier 42 to meet the expansion of the foreign cargo operation occurring at Pier 2, which has already reached maximum capacity. To accommodate the "break bulk" operation's presence at Pier 42, DOT has arranged what they consider the best alternative available for suitable vehicular passage that will allow large container trucks to navigate through a number of warehouse structures and other facilities en route to Sand Island Access Road (see Exhibit "B").

DOT originally requested the withdrawal of the subject area from GL4488 and a set aside for maritime purposes. However, based on objections raised by UH staff, DOT agreed to a sublease and to pave another portion of the leased property in exchange for the inconveniences placed on the UH research facility.

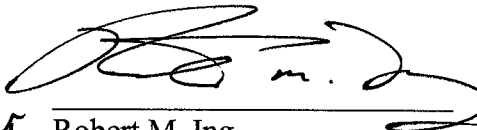
DOT requested staff to expedite this request because of certain time requirements in relocating the "break bulk" operation to Pier 42. Staff did not have sufficient time to solicit comments from other government agencies, if any, to include them in this Land Board Submittal. However, said agencies were informed of DOT's request to utilize the subject area and were encouraged to attend this meeting to share any concerns they may have.

RECOMMENDATION:

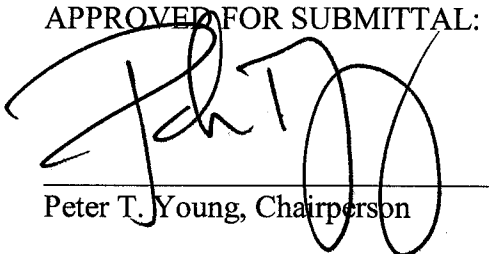
That the Board consent to the sublease under General Lease No. S-4488 between the University of Hawaii, as Sublessor, and the Department of Transportation, Harbors Division, as Sublessee, subject to any applicable conditions cited above which are by this reference incorporated herein and further subject to the following terms and conditions:

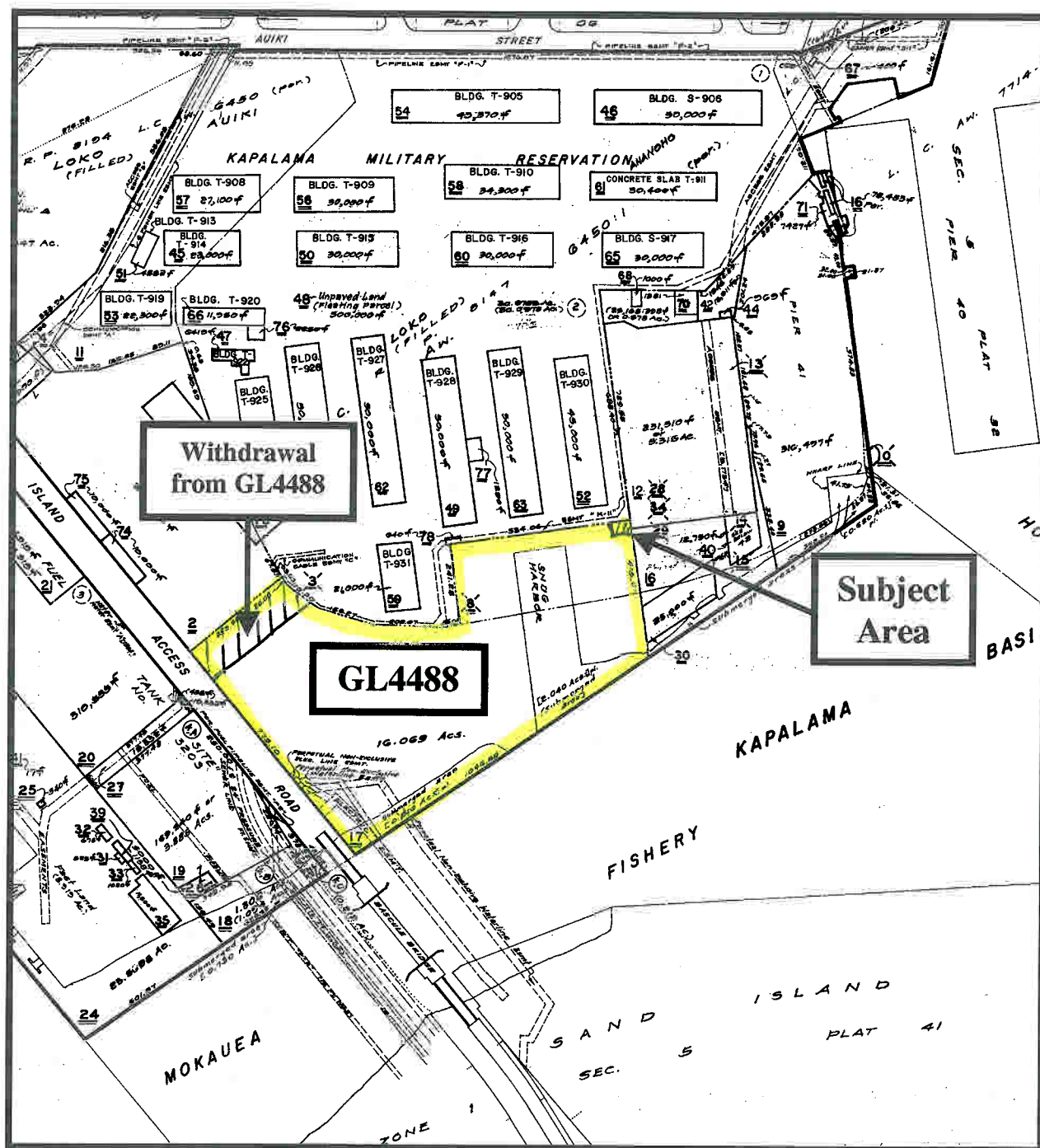
1. The sublessee shall submit construction plans of the roadway improvements to the Land Division for the Chairperson's approval prior to constructing any improvements on the demised premises;
2. The standard terms and conditions of the most current consent to sublease form, as may be amended from time to time;
3. Review and approval by the Department of the Attorney General; and
4. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,


Robert M. Ing
Land Agent

APPROVED FOR SUBMITTAL:


Peter T. Young, Chairperson



Sublease Portion of GL4488 to DOT
TMK: (1) 1-2-025:Portion 17

EXHIBIT "A"

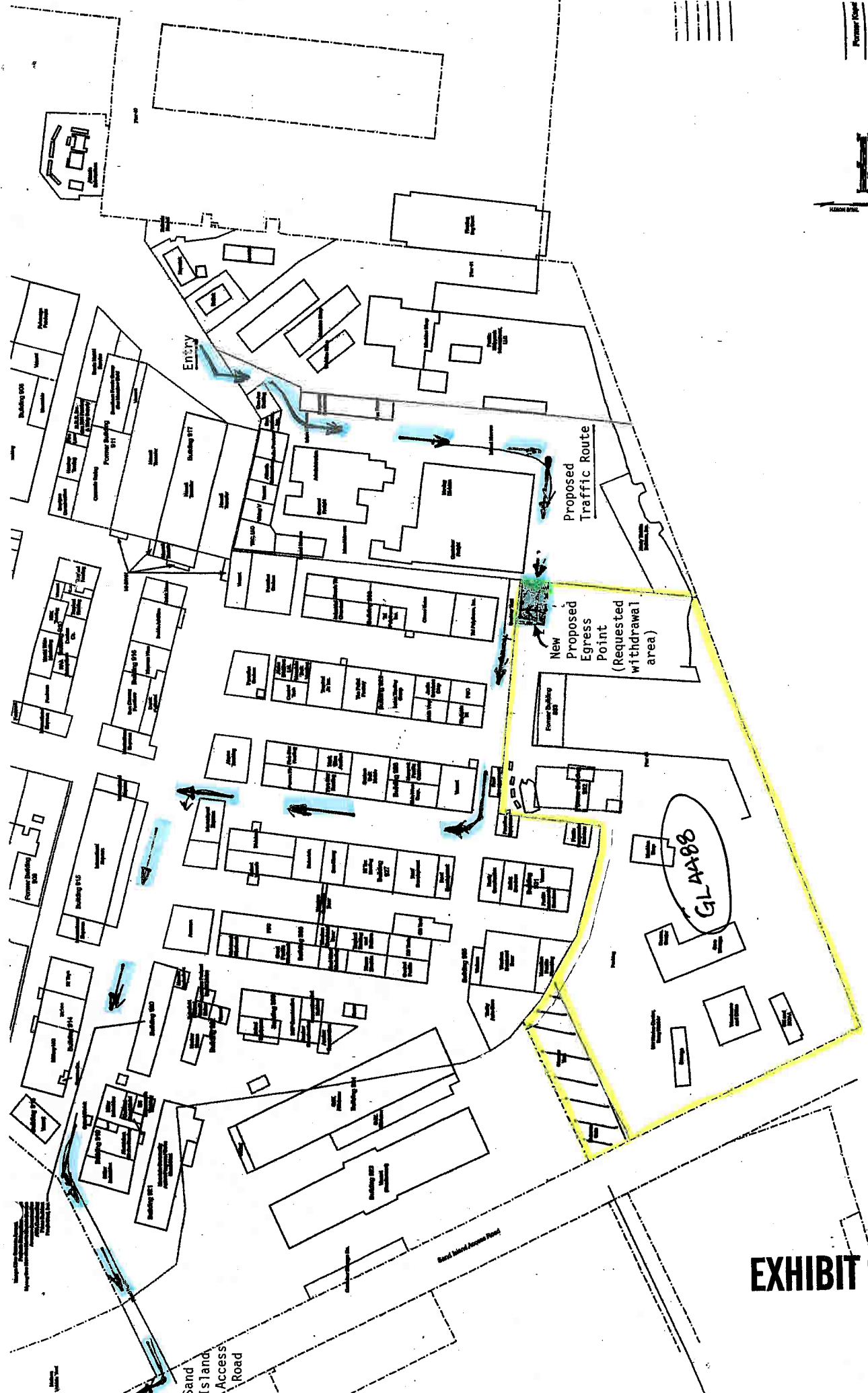


Exhibit B

EXHIBIT "B"

LINDA LINGLE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097
April 19, 2006

RODNEY K. HARAGA
DIRECTOR

Deputy Directors
BARRY FUKUNAGA
BRENNON T. MORIOKA
BRIAN H. SEKIGUCHI

IN REPLY REFER TO:
RHP 7106.06

TO: THE HONORABLE PETER T. YOUNG, CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES

FROM: RODNEY K. HARAGA *[Signature]*
DIRECTOR OF TRANSPORTATION

SUBJECT: REQUEST FOR PARTIAL WITHDRAWAL OF LANDS FROM GENERAL LEASE
NO. S-4488, ISSUED TO THE UNIVERSITY OF HAWAII AND ISSUANCE OF A
SET ASIDE AND MANAGEMENT RIGHT-OF-ENTRY FOR SAID PARTIALLY
WITHDRAWN LANDS TO THE DEPARTMENT OF TRANSPORTATION-
HARBORS DIVISION FOR MARITIME PURPOSES

The Department of Transportation, Harbors Division (DOT-H), submitted the above-referenced request dated March 28, 2006. Our memo noted that the University of Hawaii (UH) opposed the request.

Subsequent to the submittal, the DOT-H and UH continued to discuss the matter and have now reached agreement on the request with the following amendments:

- That the submittal be amended to request that the Board of Land and Natural Resources (BLNR) consent to a sub-lease in favor of DOT-H for the requested area of 3,900 square feet rather than a partial withdrawal from the lease;
- The DOT-H will provide UH a comparable area adjacent to the UH property on the western boundary as an exchange and replacement area; and
- Both the sublease to DOT-H and the replacement area to UH will be at no cost.

The UH confirms its agreement to the amendments as indicated below.

Thank you for your continued assistance and cooperation. We hope that this matter will be placed on the BLNR agenda for April 28, 2006.

Confirmed and Agreed:

UNIVERSITY OF HAWAII

[Signature: Kathleen Gutshaw]
By: Kathleen Gutshaw
As: Vice Chancellor for Administration, Finance and Operations

EXHIBIT "C"